

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Administrative Office	(2) MEETING DATE 8/26/2014	(3) CONTACT/PHONE Nikki J. Schmidt 805/781-5496	
(4) SUBJECT Request to approve the FY 2014-15 through FY 2017-18 agreement with Brown Armstrong Accountancy Corporation in the amount not to exceed \$500,000 (\$125,000 per fiscal year) to provide professional independent auditing services. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board approve the selection of Brown Armstrong Accountancy Corporation to provide professional audit services for FY 2014-15 through FY 2017-18.			
(6) FUNDING SOURCE(S) FC 100 – Board of Supervisors	(7) CURRENT YEAR FINANCIAL IMPACT \$125,000	(8) ANNUAL FINANCIAL IMPACT \$125,000	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001452		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW Guy Savage			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Nikki J. Schmidt, Administrative Office

DATE: 8/26/2014

SUBJECT: Request to approve the FY 2014-15 through FY 2017-18 agreement with Brown Armstrong Accountancy Corporation in the amount not to exceed \$500,000 (\$125,000 per fiscal year) to provide professional independent auditing services. All Districts.

RECOMMENDATION

It is recommended that the Board approve the selection of Brown Armstrong Accountancy Corporation to provide professional audit services for FY 2014-15 through FY 2017-18.

DISCUSSION

Pursuant to Government Code Section 25250, the Board is responsible for the annual audit of the County's comprehensive financial records. The Board is also responsible for the single audit services pursuant to the Single Audit Act of 1984. The Single Audit Act is designed to eliminate the need for numerous individual audits and is a requirement that must be met in order to continue receiving federal funds.

In anticipation of the expiration of the current contract, a Request for Proposal (RFP) was developed and released on April 15, 2014 to firms that specialize in governmental auditing services. The RFP was sent to 15 firms as well as posted on the County's website. Proposals were received from the following four (4) firms:

1. Brown Armstrong Accountancy Corporation
2. Gallina LLP
3. Glenn Burdette Attest Corporation
4. Price, Paige and Company

An Audit Selection Committee, composed of representatives from the Administrative Office, Auditor-Controller-Treasurer-Tax Collectors Office, Public Works, Health Agency, and Grand Jury, reviewed the proposals. Bidders were evaluated based upon a standard set of criteria which included general and technical qualifications, experience, expertise, their approach to performing the audit, and price.

OTHER AGENCY INVOLVEMENT/IMPACT

The Auditor-Controller-Treasurer-Tax Collector's Office, Grand Jury, Administrative Office, Health Agency, and Public Works were involved in the selection process and recommendation. County Counsel has also reviewed the agreement.

FINANCIAL CONSIDERATIONS

The total cost of the four year contract is \$500,000 or \$125,000 per year. This represents a \$71,130 or 17% increase from the previous four year contract. This increase is, in part, attributed to the consolidation of the Auditor and Treasurer-Tax Collector-Public Administrator. The scope of service includes the annual compliance audits of the County Treasury Oversight Committee and quarterly reviews of the County Treasury's assets. Prior to the consolidation of the two offices, these audits were conducted by the Auditor-Controller's Office. Additionally, the firm will perform, as part of the Single

Audit, an annual audit of the Passenger Facility Charge (PFC). Financial statements of the County's Transportation Development Act Non-Transit Purposes funds will be audited as well. Funding for the contract is located in the Board of Supervisors budget.

RESULTS

This contract will provide for the annual audit of the County's financial records in compliance with applicable state and federal laws and generally accepted accounting principles.

ATTACHMENTS

1. Agreement for Financial Audit Services